

HOW TO WIN...

CONSULTING CONTRACTS WITH THE ASIAN DEVELOPMENT BANK

Competing for consulting contracts at the *Asian Development Bank* can be challenging, especially for firms unfamiliar with multilateral development bank procedures. However, with perseverance, the efforts can be rewarding.

This Guide Provides Key Information on ADB Consulting Opportunities:



- **Types of Consulting Opportunities**
- **“Registering” with the ADB**
- **Project Information and the Project Cycle**
- **Tips on Being Shortlisted**
- **Preparing Winning Proposals**

This is not an official Asian Development Bank publication, rather it is simply meant as a practical guide to firms about key aspects in their efforts to win ADB consulting contracts. This will serve as a supplement to the comprehensive information listed in the ADB publication, *Guidelines to Use of Consultants by the ADB and Its Borrowers*.

Firms who are interested in supplying goods and civil works under ADB loans should refer to the ADB publication, *Handbook on Policies, Practices and Procedures Relating to Procurement Under ADB Loans*.

I. TYPES OF CONSULTANTS TO THE ADB

Consultants used by the Asian Development Bank and its borrowing countries can be classified into three categories: (1) Firms, (2) Individual Consultants, and (3) Staff Consultants.

- (1) **FIRMS**: The selection of a consulting firm is based not only on the qualifications and experience of the proposed personnel, but also on an assessment of the competence and experience of the firm, and its support facilities.
- (2) **INDIVIDUAL CONSULTANTS**: The selection of individual consultants is based on the qualifications and experience of the individual, without consideration of the capability of the organization with which they are associated. Individual Consultants can be either self-employed or nominated by firms. In both cases, selection is made on the basis of the person's résumé.

- (3) **STAFF CONSULTANTS:** Staff Consultants are engaged by the Bank to supplement its staff for short periods and for specific purposes, such as *Fact-Finding* or *Appraisal Missions*. Staff consultants provide specialized expert knowledge and advice for Bank activities and are contracted by the Bank. The term "Staff Consultant" applies to an individual, firm or other organization engaged by the Bank. Staff Consultants are usually engaged when Bank staff is not available for an assignment due to conflicting commitments, or there is a need for additional specialized expertise and experience. Selection of most Staff Consultants is similar to the selection of Individual Consultants. Generally, the Bank officer who will be using the consultant selects a Staff Consultant. It is unusual for a Staff Consultant to be hired directly from the Bank's computerized registration list.

TIPS

- Frequent visits and communication with ADB staff is beneficial in both marketing specific expertise as well as gaining the latest project information.
- Consulting opportunities under \$400,000 or on a short-term basis are not necessarily advertised, which is another reason to visit the ADB, keep in contact with its project officers and ensure your complete registration is up-to-date (as detailed below).

II. REGISTRATION

The ADB's Consulting Services Division maintains two databases on the qualifications, capabilities and experience of firms, organizations and individuals for consulting service:

- (1) **Data on Consultants (DACON)** -- for Consulting **Firms**. In order for a firm to qualify for bid with the ADB they must meet the following basic requirements:
- a. incorporated in an ADB member country;
 - b. established for at least two years;
 - c. minimum of five full-time professional staff; and
 - d. completed a minimum of three major projects.

Registering: Firms must register on the ADB's DAICON system, a requirement as of August, 2001, undertaken by ADB to standardize its consulting services operations. (Firms expressing interest in an ADB technical assistance project are required to provide their registration number). DAICON registration must be done on-line, and should be updated every two years to keep most recent experiences and contact information current. Registration procedures are:

1. Go to ADB's website: <http://www.adb.org>.
2. Click on: "Business Center" (2nd tab on heading); then, "Consulting Services", then "Data on Consulting Firms-DAICON" (the right column)
3. Click on "Registration Request" and fill out the form.
4. ADB will then review the submission against its eligibility criteria and respond within five days.

Sectoral Registration:

To help ***large diversified consulting firms*** maximize their chances of working with ADB, the bank now allows the specialized divisions or departments of these firms to register *separately* on the DAICON system, in addition to the parent organization's general registration. This new ruling allows consulting firms to better manage ADB's quota system (3 shortlistings on technical assistance projects per year).

- ❖ The divisions/departments registering separately must be able to show a separate set of project experiences; ADB will not allow cross-referencing or double entry of company experiences.
- ❖ When submitting an expression of interest, firms with *multi-sector registrations* will need to identify the particular sector and the relevant registration number. Otherwise, in the event of a shortlisting, such will count against the firm's general registration.

- (2) Data on Individual Consultants (DICON) -- for Individual Consultants. Individual consultants must meet the following requirements:
- a. citizen of an ADB member country;
 - b. three years of work and/or consulting experience;
 - c. no close relative or marriage relation to an ADB employee;
 - d. for former ADB staff there should be a year after leaving ADB employment.

Registering: Individuals can register electronically in the DICON system by downloading the DICON registration files from the ADB website (www.adb.org/business/consulting/DICON). The completed file is then e-mailed to ADB. Paper registration has been phased out and does not contain complete information. If difficulty is experienced with the Internet version, it is possible to obtain a diskette from ADB. The completed form can be returned through the Internet or to dicon@mail.asiadevbank.org. Registration must be updated every two years or it will be deleted from the database.

BENEFITS OF REGISTRATION:

- Having firms register on the system contributes to the smoother processing of bid evaluations, contract negotiations and contracting.
- Registration gives firms a wider chance of shortlisting since occasionally, borrowing governments' request ADB to provide them a list of qualified firms to form the basis for a longlist of consultants. ADB generates these lists from the DAICON system and provides them to the borrowing governments, albeit without comment on qualifications.
- Registration on the DAICON system gives ADB readily accessible information to keep track of newly formed firms and organizations in the consulting services industry and thus helps the bank in considering these firms for shortlisting. For projects that require very specialized services or expertise, officers often turn to the corresponding databases.

III. PROJECT INFORMATION

The ADB has launched a comprehensive web site at <http://www.adb.org> called *ADB Online*, which has been expanded to include many online publications. The most important and updated source of project information is the ***Business Opportunities*** section of the website. The website contains the full text of project information that is listed in the ADB Business Opportunities publication, commonly known as the “**Blue Book**.” Although information on the website is updated more frequently and more current, the **Blue Book** monthly publication in hard copy is still available for \$100 a year on a subscription basis (write to Subscriptions, Publications Unit, Information Office, ADB, P.O. Box 789, 0980 Manila, Philippines).

Technically, proposed projects must be listed in the **Blue Book** and/or the webpage for at least three consecutive months before they are shortlisted. They are usually listed for at least four to six months.

Other key publications now available on the web site are the *Country Assistance Plans* (CAPs). These CAPs are the pipeline of proposed ADB loans and technical assistance grants in the borrowing countries over the next *three years*. The CAPs are available in PDF format and can be read with an Adobe Acrobat Reader, which can be downloaded through the Internet at no cost.

The ***ADB Business Opportunities*** details the following levels of opportunities:

- A. Loans
- B. Technical Assistance
 - i) Project Preparation Technical Assistance (PPTA) Grants
 - ii) Advisory Technical Assistance (ADTA) Grants
 - iii) Regional Technical Assistance Activities (RETA)

For consultants, it is necessary to understand the difference between: (a) *Consulting Services/Technical Assistance that is part of an overall ADB Loan*, and (b) *the Technical Assistance (TA) grant activities mentioned above*.

- (a) The ADB often specifies the *Consulting Services/Technical Assistance* needs under a loan project. This technical assistance is part of the loan package, which is the responsibility of the borrowing country and administered by the appropriate executing agency. For this type of technical assistance, it is advisable to market the firm’s and individual’s expertise to the designated executing agency who selects the consultant following the Bank’s Guidelines.
- (b) *ADB Technical Assistance Grants* are advertised in the ***Business Opportunities*** (the Blue Book and webpage) and are awarded independently of loan awards. The ADB is responsible for selecting and contracting with the consultants. This applies for **Project Preparation, Advisory, and Regional Technical Assistance** grants.

- **Project Preparation TA's** fund activities to prepare for lending that the ADB is considering. These activities include feasibility studies, economic research, design engineering, construction planning, financial analyses and procurement planning.
- **Advisory TA's** help establish or strengthen an institution, carry out studies on policies and strategies or formulate national development plans.
NOTE: A few of these TA's are termed as "piggyback," which simply means that awarding of the TA is contingent upon the approval of the loan. The selection of consultants is still up to the Bank.
- **Regional TA's** are used to prepare regional studies and conduct conferences, seminars, workshops and training courses that involves several developing member countries.

Each project description in *Business Opportunities* lists the Executing Agency (usually a government agency) responsible for the management of a project. They also list the ADB Project Officer, department affiliation and telephone number. It is important to keep in contact with the executive agencies when exploring loan projects. However, for technical assistance grants the contact is primarily with the ADB project officer.

Project information can also be found in *Development Business*, a bimonthly newspaper published by the United Nations (fax 212-963-1318). The National Trade Data Bank and the Electronic Bulletin Board produced by the U.S. Dept. of Commerce also include ADB project information. (For more information: 1-800-USA-TRADE or www.statusa.gov).

IV. THE PROJECT CYCLE

Prior to the recruitment of consultants and ultimately the consultant selection phase of a project, the life cycle of the proposed project is already well advanced. The project cycle begins with a Country Programming Mission, which usually occurs early in the calendar year. The "mission" involves relevant ADB project and country officers who travel to the borrowing country to meet with senior government officials. These officials are usually from the finance or planning ministry. They propose projects to the ADB representatives and the group agrees on a list of proposed projects for the next three years. Following discussions with Bank senior management in Manila, a final list of proposed projects is developed.

Given this system for incorporating new projects into the Country Assistance Plans, firms with project ideas should work with their contacts in the host country government to recommend projects for Bank financing.

Once an ADB officer starts working on a project it appears in the *ADB Business Opportunities*. A series of missions is launched to determine if the proposed project meets the Bank and country's development objectives, and is economically, environmentally, and financially viable. For Technical Assistance grants there is generally a more abbreviated process than described below. After missions to the field, a *Technical Assistance Project Paper* is prepared prior to management approving Technical Assistance Projects.

The ADB Project Cycle primarily begins at the first mission, termed the Fact-Finding Mission. Its objective is to collect basic data on the relevant sector, executing agency, etc., and is usually most intensive, bringing in various consultants. If this information indicates that the project appears viable, an in-depth Appraisal Mission is carried out to determine the details of project scope, cost, terms of reference and other requirements. A Staff Review Committee meeting is held to review the findings of the Appraisal Mission.

A *Report and Recommendation of the President* is produced prior to approval by the Board of Directors. Copies of this report are circulated to member countries of the Bank. This report, as well as the Technical Assistance Project Papers are available upon request to the U.S. Commercial Liaison Office in Manila, Philippines (fax: 63-2-887-1164; E-mail: manila.adb.office.box @mail.doc.gov.or usaepadb@info.com.ph). Short-listed firms often find it useful to review the past reports before preparing their proposal.

The whole pre-approval exercise can take anywhere from three to eighteen months depending on a number of factors, including government priorities, economic conditions, availability of Bank funds, etc.

V. EXPRESSIONS OF INTEREST/SHORTLIST

Expressions of Interest...

To be considered for a technical assistance grant contract, interested firms (or individuals) should submit a persuasive ***Expression of Interest (EOI)*** and meet with relevant Bank staff to market their expertise well before the long list is compiled. As of August 2001, firms expressing interest in an ADB technical assistance project are required to furnish the bank their registration number. Since 30 to 60 firms typically express interest in an ADB TA project, only those firms that market themselves aggressively and have the appropriate experience are likely to be placed on the shortlist. *NOTE: For TA projects that are less than \$150,000, project officers can opt to shortlist 3-5 firms based on biodata submittals.*

The most successful firms are those that have experience in similar projects in the recipient country or are part of a consortium that includes a local firm. A local partner is often very useful in dealing with the executing agency and other organizations in the country. Firms that have an office in Asia may wish to correspond through that office to demonstrate an Asian presence.

For TA's, the *Expression of Interest* (EOI) are to be submitted through the website.

1. Go to ADB's website: www.adb.org;
2. Click on "Business Center" tab; then, "Business Opportunities"; then "New" and "Proposed Projects".
3. Click on the "EOI" button appearing beside the relevant project description; then, complete and submit the form. The system automatically acknowledges the EOI.

The website submission has been very successful and required, but many firms still prefer the individual style allowed by the hard copy, which you can send as well. If mailed or faxed, the EOIs should be addressed to: **Manager of the Consulting Services Division**, and copied to the project officer (always send or fax a separate copy for each one, and confirm that they have been received). The Bank's mailing address for courier is No. 6 ADB Avenue, Mandaluyong City, 0401 Metro Manila, Philippines or for mail is P.O. Box 789, 0980 Manila, Philippines. The telephone number is 632-632-4444; fax 632-636-2470.

NOTE: It usually takes a few days for mail and faxes to be routed within the Bank, so ample time should be allowed before closing dates.

Evaluating EOI's and Formulating the Shortlist...

Soon after the TA is approved, the project officer forwards the EOI's, names of firms that have done similar projects obtained from the database search, and the project terms of reference to the Consulting Services Division for their use in compiling a long list of 20 to 40 firms.

Usually, the Consultants Selection Committee (CSC) meets to shortlist five to seven firms. The list must represent firms from the Bank's member countries in a reasonably balanced manner (usually interpreted to mean only one U.S. firm). The CSC generally consists of three voting members: the project officer, the country officer from the Programs Division, and the manager (or his designated specialist) of the Consulting Services Division. (*The sectoral responsibilities of the Consulting Services staff are listed in Annex A.*)

NOTE on Partnering: In evaluating the long list of forms to form the short list, one important revision to the guidelines was issued in August 2001, to consider when submitting an EOI:

- ☞ During the shortlisting process, only the experience of the lead firm will be considered. Although firms may associate freely with any other firm from an ADB member country, ADB will concentrate on the lead firm's credentials when considering them for shortlisting. The main reason for this is because, in the event of selection, ADB will contract only with the lead firm and only the lead firm will be held responsible for all contractual obligations. However, the ruling is also seen as a deterrent to firms that may use association arrangements to circumvent the bank's imposed limit on the number of yearly shortlistings.

TIPS: Expressions of Interest (EOI's)

- The EOI should relate a firm's experience and expertise to the project description. It is important to emphasize similar project experience in the borrowing country or other Asian countries rather than presenting a general company profile. Country and regional experience are very important.
- The one to two page letter should clearly state the exact name of the project (copied from the most recent Blue Book or the webpage), and contain the firm's DACON #.

The executing agency in the borrowing country is provided with a copy of the shortlist, so they can inform the Bank if they have experienced previous problems with any of the firms. If there are no objections, the firms are invited to submit technical proposals and receive copies of the terms of reference, the names of the other short-listed firms, and the evaluation criteria. The shortlist is also publicly announced on the ADB Online website and in the monthly Blue Book.

Reviewing the Proposals...

After the technical proposals have been received and evaluated independently by each committee member, the committee jointly evaluates and ranks the proposals based on *technical merit*. The members consider each evaluation criteria independently for all shortlisted firms. They discuss it until a consensus is reached on each criterion. They do not average out disparate scores. This provides the final basis of the selection. The committee also reviews the body of the draft consultancy contract to be used for the engagement of the selected firm, and decides on the timing for contract negotiations.

NOTE: For Loans, the Executing Agency is responsible for selecting consultants, but the agency must follow ADB's consultant guidelines and obtain the Bank's concurrence on their selection. In this case, the firm's letter of interest should be addressed and sent to the Executing Agency. It is very important to also send a copy to the ADB project officer.

Duration of the Process...

The following provides an estimate of the time usually required for the ADB to engage a consulting firm, following the Bank's normal selection procedures.

ACTIVITY		DAYS
CSC meeting to prepare short list		-
Receipt of no-objection from executing agency	10	
Invitation and bid preparation		60
Bank's evaluation of proposals	10	
Invitation to chosen consultant for negotiations	7	
<i>(Consultants are given about 3 weeks preparation time)</i>		15
Contract negotiations		5
Mobilization and fielding of experts		<u>10</u>

This process takes an estimated 4-5 months

VI. PREPARING WINNING PROPOSALS

Preparation of Proposals

Attention to detail is essential in preparing a winning proposal. All résumés and cooperative agreements between firms must be signed, all pages should be numbered, and the proposal must be received on time. Conditional proposals are not accepted.

A. Terms of Reference

The terms of reference (TOR) is the blueprint used by the firm in the preparation of a proposal. Invariably, firms have many questions about the TOR. Resolving these uncertainties *before* submitting the proposal is very important. Deviations from the TOR in the proposal, or problems raised after the proposal is submitted, will put the firm in a negative light. **The TOR should be followed to the letter; creativity is not rewarded.** Any deviations should be presented in a separate, alternate proposal that is attached to the main proposal and clearly labeled as an alternative proposal.

It is strongly recommended that a representative from the proposing firm visit the Bank before preparing the proposal. Discussions with the project officer and the relevant consulting services specialist and program's officer, all who will be rating the proposal, can provide valuable information about the Bank's specific expectations regarding the project. In addition, a visit is considered a measure of the firm's commitment to the project. A visit to the executing agency or project site is also essential for preparing a winning proposal. Firms who are interested in pursuing ADB opportunities on a regular basis are advised to visit the Bank at least four times a year.

In practice, the TOR usually contains the following:

1. Objectives
2. Scope of work and details of the task to be performed

3. Required expertise and estimated inputs
4. Reports and time schedule
5. Data, local services, counterpart staff and facilities to be provided by the executing agency.

B. Person-Months

When individuals are recruited, the TOR should clearly and separately define the work to be performed by each individual. For a firm, the inputs needed are specified in aggregate terms, generally estimated in total person-months of services. This provides the firm with the flexibility to allocate the agreed person-months as they see fit to achieve the objectives. This flexibility explains why one firm may nominate 8 experts for a 15 person-month contract while another firm may nominate 4 experts for the same job. It depends entirely on the interpretation of the TOR. However, firms should avoid proposing an excessive number of people, such as 12 people for a 20 person-month project.

All proposals must include the estimate of total inputs in person-months from the TOR. When considered in aggregate, for example, 10 person-months could represent one expert working for 10 months; or 2 experts working for 5 months each, or similar combinations totaling 10 person-months. The total person-month requirement should not be confused with the planned duration within which the assignment needs to be completed. The time schedule specifies the period of time allowed from the start of services to the completion of each phase of the project. The time schedule will place a ceiling on the time any one expert may be assigned. For example, a single expert cannot provide 10 person-months of service on an assignment that has to be completed within a period of three months.

When submitting a proposal to the ADB, it is NOT recommended to deviate from the total person-month requirement. Proposals that have a person-months deviation of more than 5 percent from the TOR will be penalized. Uncertainties about the person-month requirements should be discussed with Bank officials before submitting the proposal.

C. Staffing Schedule

The staffing schedule is the single most important item in the proposal and is highly scrutinized by Bank staff. Errors in this part of the proposal can often spell the difference between a winning and losing bid. The staffing schedule is usually shown as a horizontal bar chart and incorporated in the appendices. It must show precisely the timing and period of planned engagement for each expert both in the field and home office. In feasibility studies, the availability of data will largely determine the time that should be spent in the field. Keep in mind that data are sometimes difficult to find in some parts of Asia. When in doubt, overestimate the time required in the field. Bank staff often comments that too many consultants spend too little time in the field. While the field/home office

ratio will vary slightly depending upon the project, the standard rule of thumb is a usually around 90-95% in the field.

In the staffing schedule, work requirements are measured by person-months or portions of person-months broken down into 0.5, 0.25 or 0.2 person-month increments. Do not use weeks. Be sure the calculations are exact so that all the rows and columns add up correctly. Field assignments are usually represented by a shaded or dotted bar. A continuous period of assignment is represented by an unbroken bar, while intervals in an assignment are shown with a broken bar.

Note that a break in the field assignment of an expatriate consultant usually requires the additional cost of round trip airfare to the U.S. The Bank is very sensitive to breaks and additional trips scheduled during an assignment, especially when the break is of relatively short duration. In fact, the very first item noted by Bank staff when evaluating a staffing schedule is usually the number of trips included in the work plan. It is necessary, therefore, to carefully consider the cost-benefit of such breaks or trips. Generally, the schedule for a TA would only require the consultants to return to the home office to prepare the report before submitting the final project results to the Bank.

Team Leader

In the list of proposed personnel, the Team Leader should be clearly identified. His or her name should appear first on the top of the staffing schedule. Often, companies include many similar titles such as project manager, team leaders, associate team leader or partner in charge. This only serves to confuse Bank staff as to who is really in charge and it often gives the impression (rightly or wrongly) that the proposal is top-heavy.

In addition, the Team Leader should have, or at least appear to have, continuous responsibility for the project. Although there are often cases where the Team Leader may have concurrent responsibilities, this situation is better left unsaid or simply illustrated by a broken line. The Bank takes a dim view of team leaders whose only evident responsibility is to make the final presentation to the client in the final week of the assignment. A good staffing schedule should give the impression that the team leader is involved throughout the duration of the project, especially during the report writing phase.

The remaining staffing patterns should be illustrated in a simple, straightforward fashion. If possible, avoid interval assignments. The Bank favors stark, no nonsense schedules. Work plans including various individuals jumping in and out of the work and back and forth in the field may lead the Bank to believe that the final report will be similarly disjointed.

In most TOR's, the reporting requirements and timing for reports are clearly specified. Various types of reports at different stages of project implementation may be required. These include interim reports, draft final reports and the final report. These should be referenced in the staffing schedule.

D. Data, Local Services and Counterpart Staff and Facilities

The TOR will list the assistance the consultant can expect to receive, if applicable, from the executing agency for the proposed project. This will often include vehicles, office space, office equipment, telephone and telex services, other equipment and various types of data. If in doubt about any counterpart services, *ask* before submitting the proposal. Be sure that the availability of resources is spelled out clearly. If, for instance, the project will require access to information (i.e., previous studies, maps, aerial photographs, rainfall records), ensure that the executing agency is prepared to make it available. Similarly for counterpart staff, be certain of the number and caliber of the local staff before preparing the proposal. A description of their expertise and experience will be helpful in preparing the proposal. There is increased emphasis placed on the use of local consultants, even though their inclusion in a proposal is not considered in the evaluation process. However, it can give the firm an edge.

E. Personnel

Staff qualifications are a very important feature of the proposal and usually are 60-70% of total weighting. The résumé of all staff should be tailored to each new proposal so their qualifications fit the TOR. Do not use off-the-shelf résumés. The Bank prefers short, crisp résumés placed in order of descending rank. Emphasis is placed on experience in similar projects and experience in Asia or a country with comparable geographic conditions. Project work should be listed starting with the last completed assignment, stressing any work done in Asia.

The general qualifications of the individual are of lesser importance, but ensure that their academic qualifications are relevant to the task at hand. Avoid nominating a nuclear physicist for a civil engineering job (it does happen). Proposing overqualified consultants should also be avoided. Bank staff often conclude that high level experts will not be able to devote enough time and energy to the project. Great care should also be taken in selecting the Team Leader. Note that age can be a factor. There are no set rules, but generally personnel would be between the ages of 35 and 60 years.

Evaluation of Proposals

As mentioned earlier, the Consultants Selection Committee is responsible for evaluating the technical proposals according to the criteria previously approved by the committee. These cover qualifications of the firms, the approach and methodology, and personnel proposed by each firm. The approved criteria are contained in the summary evaluation sheet, and each factor is assigned a maximum weight of an available 1000 points. (*Annex B provides examples of summary and personnel evaluation sheets for different sector projects.*)

Short-listed consulting firms are usually allowed 60 days to prepare and submit their proposals. The proposals should be prepared by strictly following the instructions in the letter of invitation. It is imperative to review the criteria carefully before preparing a proposal.

The following is a description of the criteria:

1. Qualifications

- a. Experience in similar projects: The technical proposal should provide summaries of the various projects undertaken by the firm that are technically similar to the proposed project (include all projects relevant to the bid). The number of such projects undertaken provides a measure of the firm's experience.
- b. Experience in similar geographical areas: This factor reviews the firm's experience in a similar geographic area, but may, depending on the project requirements, also take into account factors like hilly terrain, areas of high or low rainfall, etc. In evaluating this factor, the projects undertaken need not be related to the same technical field, as long as it is sufficiently demonstrated that your firm can operate effectively in a similar geographic area.
- c. Other factors: This is meant to cover any other factor required relating to the overall capability of the firm, which may include the firm's capacity to handle the workload, availability of adequate back-stop services, etc.

2. Approaches and Methodology

- a. Understanding of objectives: The proposal must provide evidence of the firm's general understanding of project objectives, coverage of the principal requirements listed in the TOR and an indication that a site visit has been made for assessment. This is often cited as the cause of a firm's failure to win a project.
- b. Quality of methodology: The proposed methodology must match the requirements shown in the TOR. This important factor is often misunderstood by proposing firms. Be careful.
- c. Innovativeness: This factor measures any alternative approaches that would facilitate work on the project. Creativity may be listed as a factor, but this *does not* mean deviations from the TOR are permitted.
- d. Work program: While this is closely related to the proposed methodology, it also takes into account more detailed aspects of the work, including the proposed staffing schedule and a network diagram for activities to be undertaken for large

projects. Be sure that this portion of your proposal is short and that any diagrams are simple and clear.

- e. Person-month requirements: This is a comparison of the person-months proposed by the firm against those estimated by the Bank.
- f. Counterpart facilities: The proposed requirements for office space, transportation equipment and other local services are assessed for their reasonableness.

Simplified Technical Proposal System

The Bank recently implemented a Simplified Technical Proposal (STP) system. The new system provides advantages to consultants as it makes proposal preparation substantially less expensive and time-consuming. (*Annex C provides a sample evaluation sheet, providing a breakdown of categories for an STP*).

The system is to be used for specifically identified technical assistance projects with a budget of \$150,000 to \$600,000. The system is applicable to projects where the tasks required are clearly specified in the terms of reference. The Bank's invitation letter to shortlisted firms (or those who will be invited to submit a proposal) will indicate whether the STP or the full proposal will be required.

The evaluation of proposals using the STP will use a thousand-point system where 300 points are allocated for approach and methodology and 700 points for personnel. Approach and methodology will be evaluated according to three elements:

- (a) Quality of approach and workplan (200 points)
This element refers to the degree to which the approach matches the requirements as stated in the terms of reference. It must include an organization chart, graphic presentation of the workplan and a staffing schedule.

To receive maximum points, there must be consistency between the inter-relationship of the work program and methodology. The organization chart should show the relationship between the client and consultant, and the project management and counterpart arrangements. Suitability and phasing of the staffing schedule and logical sequence of events in the work program will be assessed.

- (b) Staffing Schedule/Person-months requirement (50 points)

This element weighs the relationship between person-months and estimated project requirements. Maximum points (50%) will be given if requirements and

estimates match closely. For individual expertise, the appropriateness of time allocated to the task to be performed will be assessed (50%).

(c) Proposal presentation (50 points)

This element assesses overall clarity and compliance with the personnel schedule. All items in the invitation letter should be covered in a clear and easily understandable form and must be professionally assembled. It should comply with length restrictions: 10 pages for approach and methodology, workplan and personnel schedule, and 5 pages maximum for the biographical data on each expert in the consultant's team.

Under the personnel criterion (700 points), each expert will be assessed separately if the invitation letter specifies identifiable experts. Where the invitation letter allows the proposer to organize the experts, a separate assessment by area of expertise will be required. When more than one individual are assigned under one area of expertise, the overall score will be the weighted average of the individuals' scores prorated according to total person-months allocation.

Using the biodata sheet, each expert or area of expertise will be evaluated against the tasks assigned using four main criteria:

- (a) general experience (20%) - academic qualifications; number of years in the business;
- (b) project-related experience (60-70%) - number of projects implemented;
- (c) other experience (10-20%) - overseas; country; language;
- (d) relation with proposer - if the expert is a permanent employee (5%). The team leader should be a permanent employee of the proposer (10%).

CONTACT INFORMATION

For more information or for assistance on bidding for ADB-funded projects, please contact the Commercial Service Liaison Office for the ADB.

Staff: Mr. Stewart Ballard, U.S. Commercial Liaison
Ms. Kim Phan, Commercial Environmental Specialist
Ms. Cecilia Santos, Commercial Specialist
Ms. Rose Bendaña, Commercial Assistant
Ms. Lut Calupaz, Administrative Assistant

Mailing address: CS/ADB
U.S. Embassy/Manila
PSC 500, Box 33
FPO AP 96515-1000

Street address: The U.S. Commercial Liaison Office for ADB
American Business Center
25/F, Ayala Life-FGU Building
6811 Ayala Avenue, Makati City 1226
Philippines

E-mail: manila.adb.office.box@mail.doc.gov
First name + Last name@mail.doc.gov

Telephone: 63-2 887-1345 (up to 47)

Fax: 63-2 887-1164

ANNEX A

ADB Central Operations Services Office, Consulting Services Division

1. Mr. Sarojkumar Thuraisingham - Manager

Sectoral Responsibilities

2. Mr. Benny Kosinda - Environment & Social Development Division
3. Ms. Ingrid Holfelt - Programs Division (East & West)
4. Mr. Werner Scheneider - Energy Division (East & West)
5. Mr. L. Boenawan Sondjaja - Agriculture & Rural Development Division (East & West)
6. Mr. Vincent Mak - Office of Pacific Operations (East & West)
7. Mr. Yin Guo Huang - Transport and Communications Division (East & West)
8. Mr. Hiroyuki Maruyama - Education, Health & Population Division (East & West)
9. Ms. Yang Dan - Financial Sector and Industry Div. (East & West)
10. Mr. Gregory London - Forestry and Natural Resources (East & West)
11. Mr. Mineo Maruyama - Water Supply, Urban Development and Housing Division (East & West)

ANNEX B-1

EVALUATION CRITERIA FOR CONSULTANT SELECTION

Power Project in China

CRITERIA	APPLICATION
<p>I. <u>QUALIFICATION OF PROPOSER</u> Weight 150 Points</p> <p>A. <u>Experience in Similar Projects</u> (100 points)</p> <p>Reference Projects: Projects which demonstrate previous experience in conducting feasibility studies / audits for rehabilitation (or actual rehabilitation, itself) of coal-fired units of similar capacity, age and design.</p> <p>(a) 100 % weight should be given to those that were undertaken the PRC, Eastern Europe, Russia, Mongolia and Central Asian Republics because these projects are expected to have encountered similar problems to those anticipated.</p> <p>(b) Other coal-fired rehabilitation projects (50% weight)</p> <p>B. <u>Developing Country Experience</u>(50pts)</p> <p>(a) In PRC (100%)</p> <p>(b) Other Bank DMCs (50%)</p>	<p>Proposers who can demonstrate experience in more coal-fired unit rehabilitation reference projects shall be given higher points. In addition, weights should be applied as indicated such that projects which have been carried out in countries with units of similar age, capacity and design are given more emphasis than those carried out in other countries.</p> <p>Proposers who demonstrate more experience in developing countries shall be given higher points. In addition, weights should be applied as indicated such that those with experience in PRC are given more emphasis than those in other Bank DMCs.</p>

CRITERIA	APPLICATION
<p>II. <u>APPROACH AND METHODOLOGY</u> (Weight-250 Points)</p> <p>A. <u>Understanding of Objectives</u> (50 points)</p> <p>General understanding of the project requirements and coverage of principal components without repeating back TOR.</p> <p>B. <u>Quality of Methodology</u> (100 points)</p> <p>The degree to which the presented methodology matches the TOR and indicates how the study will be carried out.</p> <p>C. <u>Work Program</u> (20 points)</p> <p>In addition to narrative description, organization chart, work plan bar chart and staffing schedule should be included.</p> <p>D. <u>Person-Month requirement</u> (20 points)</p> <p>Degree of conformity with Bank estimate of 22 person-months international and local and reasonableness of breakdown between various fields of expertise.</p> <p>E. <u>Innovativeness</u> (20 points)</p> <p>Any alternative approach/ideas which are justified in the proposal which were not envisaged in the TOR.</p> <p>F. <u>Proposal Presentation</u> (20 points)</p> <p>Clarity of entire proposal</p> <p>G. <u>Counterpart Facilities</u> (20 points)</p> <p>Requirement of office space, transportation, equipment and other services</p>	<p>Subjective ranking with higher scores given where the overall contents of a proposal demonstrate a general understanding of study requirements and tasks, with emphasis on the crucial issues to be dealt with in the study.</p> <p>Subjective ranking with higher scores given for consistency of proposed methods and procedures with the TOR and quality of description of how work will be carried out.</p> <p>Organization chart to be assessed on the adequacy of management of personnel and relationship between State Government, State Power Corporation, consultants and the Bank; Work plan bar chart - on logical sequence, coverage of principal activities as specified in TOR and meeting of deadlines; Staffing schedule - on adequacy of proposed team, travel, mobilization, conformity of assignments with fields of expertise and consistency with work plan bar chart.</p> <p>Deduct 2 points for each person-month above and 1 point for each below the specified number. Subjective ranking on person-month allocation (break down) for various fields of expertise.</p> <p>Subjective ranking depending on firstly whether any alternative approaches/ideas were offered and secondly on their suitability.</p> <p>Subjective ranking depending on whether all items required in the invitation documents are both covered and presented in a clear and logical manner.</p> <p>Assessment of reasonableness and completeness of requirements and local conditions.</p>

CRITERIA	APPLICATION
III. PERSONNEL (Weight - 600 points) <u>Expertise</u> a. <u>International</u> Team Leadership (It is preferred that one of the International experts be designated Team Leader) -Turbine Design or Operation -Boiler Design and Operation -Environmental protection related to coal-fired power plants -Instrumentation and Control of coal-fired generating units -Financial and economic analysis -Project Management and Institutional analysis b. <u>Local</u> Six persons - one for each of the above six fields of expertise Evaluate as follows: A. <u>General Qualifications</u> (10%) - Relevant Bachelors degree or equiv. - Relevant Masters degree or equiv. or relevant Bachelors with over 15 years experience -Bonus for relevant PhD and/or post-graduate training -Total years of relevant experience from time of graduation B. <u>Project Related Experience</u> (60% for International Team Leader, 65% for rest of International and 80% for Local) Number of similar studies Years of experience in work generally related to that in the study C. <u>Language and Others</u> (20% International, 10% Local) - Knowledge of Chinese Mandarin - Competence in English - Years of developing country experience D. <u>Permanent Staff of Firm</u> (10% for Int. Team Leader, 5% for International, not applicable to local) Perm. staff of either lead firm or of any other firm in which the lead firm has made a formal association	50 points - evaluate on basis of previous experiences as team leader only on similar clean coal technology projects preferably in PRC and other developing countries in the region. 100 points 100 points 60 points 60 points 80 points 60 points 90 points 30% weight 50% weight 5% weight 3 % per year up to 15 years (max. 45% weight) Award points in proportion to number of similar studies where same fields of expertise have been used as that designated in this study. (75% weight) 2.5 % per year up to 10 (max. weight 25%) 25% 25% 5% per year up to 10 (max. weight 50%) 20% per year up to 5 years – outsiders (contract staff) cannot be awarded points under this heading. The overall rating will be calculated as the average of the individual ratings of each person prorated on the basis of person-month

<p>Note: <u>Overall Rating</u></p> <p>If more than one person has been assigned under a particular field of expertise title</p>	<p>allocation</p>
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ANNEX B-2

Summary **Personnel** Evaluation Sheet For Technical Proposals

Position/Area of Expertise	Name	General Qualifications Weight: _____%		Project-related Experience Weight: _____%		Overseas/Country Experience Weight: _____%		Full-Time Permanent Staff Weight: Expert – 5% Team Leader – 10%		Overall rating
		Rating	Weighted Rating	Rating	Weighted Rating	Rating	Weighted Rating	Rating	Weighted Rating	(A+B+C+D)
International Consultants 1. 2.										
Domestic Consultants 1. 2.										

Rating:

Excellent	90-100
Very good	80-89
Average	70-79
Below average	60-69

Weighted Rating:

Maximum Weight x Rating/100

ANNEX C

Summary Evaluation Sheet For SIMPLIFIED TECHNICAL PROPOSALS

Water Project

EVALUATION CRITERIA	Maximum Weight
I. APPROACH AND METHODOLOGY	300
a. Methodology/Work Program	100
b. Personnel Schedule	100
c. Person-Month Requirement	70
d. Proposal Presentation	30
II. PERSONNEL	700
<u>International Consultants (500)</u>	
a. Institutional Development Specialist	110
b. Water Supply Engineer	110
c. Sanitation Engineer	110
d. Economist/Financial Analyst	110
e. Team Leader	60
<u>Domestic Consultants (200)</u>	
f. Institutional Development	30
g. Water Supply Engineer	30
h. Sanitation Engineer	30
i. Economist	30
j. Financial Analyst	30
k. Environmental Specialist	30
l. Community Development Specialist	20
<u>TOTAL</u>	<u>1000</u>